

Michael O. Leavitt Governor Kathleen Clarke Executive Director Lowell P. Braxton Division Director 1594 West North Temple, Suite 1210 PO Box 145801 Salt Lake City, Utah 84114-5801 801-538-5340 801-359-3940 (Fax) 801-538-7223 (TDD)

May 31, 2001

CERTIFIED RETURN RECEIPT 7000 0520 0021 7582 9187

Mr. Dale Snyder Absolute Mining and Minerals Inc. 145 South 1350 East Lehi, Utah 84043

Re: Adjustment of Permit Boundary and Identification of Areas to be Reclaimed as Resolution of Noncompliance, Absolute Mining and Minerals, Inc. (AMMI).

Dolores River Placer Operation, S/019/035 (UTU-72488), Grand County, Utah

Dear Mr. Snyder:

Thank you for your letter dated May 15, 2001 responding to our proposed adjustment of the small mine operation permit boundary and identification of areas to be reclaimed and their respective reclamation tasks.

Based on your letter, we understand that AMMI is in agreement with:

- (1) The new permit boundary and associated disturbed area of 4.98 acres (including the access road).
- (2) The description of the currently disturbed pad area (0.92 acres) and hill area (0.71 acres) and their reclamation treatments.
- (3) Completion of the reclamation of the pad and hill area by the end of this coming fall 2001.
- (4) Limiting active operations to areas that are within the new permit boundary.

Another matter to be resolved is the disposition of the access road to the mine site. The Division has received a response letter from the Grand County Road Department stating that the County does claim the road in the NE ¼ of Section 11, T23S, R24E, SLB&M, as a County Road (copy attached). Since reclamation of this road was included as part of the original BLM Plan of Operations, the final disposition and reclamation responsibility will require BLM involvement to resolve.

Page 2 Dale Snyder S/019/035 May 31, 2001

In our meeting on May 2, 2001, we discussed completing the reclamation at the site by a tentative date of **October 30, 2001**. This date for completion of reclamation is acceptable to the Division, and the BLM as well. AMMI's proposed consolidation of equipment from areas to be reclaimed to an alternate area within the new permit boundary during June or July, is also acceptable to the Division.

Sincerely,

D. Wayne Hedberg Permit Supervisor

Minerals Reclamation Program

ih

Attachment: Grand County 5/7/01 letter

cc: Trace Barney, Wardley Lyn Kimball, AMMI

Brent Northrup, BLM Moab FO Mary Ann Wright, DOGM Tony Gallegos, DOGM

O:\Ammi\accept-recla

Dave Warner Supervisor



Dave Vaughn Assistant Supervisor

Grand County Road Department - 125 East Center Street, Moab, Utah 84532, 435-259-5308

May 7, 2001

Mr. Anthony A. Gallegos State of Utah Division of Oil, Gas and Mining 1594 West North Temple, Suite 1210 PO Box 145801 Salt Lake City, Utah 84114-5801

Re: Mine Site Access Road, Absolute Mining and Minerals, Inc., Dolores River Placer Mine, M/019/035 (UTU-72488), Grand County, Utah

Dear Mr. Gallegos:

This letter is to confirm that Grand County, Utah does claim as a County Road that portion of road approximately 1620 feet in length, in the NE 1/4 Section 11, T23S, R24E, SLB&M, from the locked gate to the mine site, that you referred to in your letter to me dated April 27, 2001.

Sincerely,

Dave Warner

RECEIVED

. 1 2001

DIVISION OF OIL, GAS AND MINING